



STATE OF CALIFORNIA
DEPARTMENT OF GENERAL SERVICES - PROCUREMENT DIVISION

CONTRACT NOTIFICATION

***** MANDATORY *****

CONTRACT NUMBER: 1-06-75-02

DESCRIPTION: CHECKS, INDIVIDUAL AND
CONTINUOUS

CONTRACTOR: COLUMBIA BUSINESS FORMS INC

EFFECTIVE DATES: 5/ 5/2006 THROUGH 5/ 4/2008

SUPERSEDES CONTRACT NO.: 1-03-75-02

AREA: STATEWIDE

DISTRIBUTION: C-75-02

* TAX: Add appropriate sales and use tax.
Exempt from Federal Excise Tax.

*Food contracts are tax exempt.


RITA HAMILTON, Deputy Director

Use of this agreement by all agencies is mandatory with monetary exceptions stated herein or
contained in State Administrative Manual.

To obtain assistance or report non-compliance by supplier, or for any suggestions or recommendations write:

Department of General Services, Procurement Division, P.O. Box 989054, W. Sacramento, CA 95798-9054,
or call: Contract Administrator, JESSE TANGULEG 916-375-5899

Contract (Mandatory): 1-06-75-02

SUPPLIER ID:	224826	
NAME:	COLUMBIA BUSINESS FORMS INC	
ADDRESS:	1493 N MONTEBELLO BLVD	
	STE 202	
	MONTEBELLO, CA 90640-2588	
CONTACT:	323-721-7942	EDWARD G GARCIA
FAX NUMBER:	323-888-1844	
TERMS OF PAYMENT:	Net	
FOB:	Destination	
MINIMUM ORDER:	AS SPECIFIED	

SCOPE:

This contract covers the estimated two (2) year requirements, with one (1) year option to extend the contract, of the State of California for CHECKS, INDIVIDUAL AND CONTINUOUS, per attached Specification No. 7530-06BS-001 dated February 3, 2006.

ORDERING PROCEDURE:

For items to be purchased by State departments, they must submit a Purchasing Authority Purchase Order (Form STD 65) directly to the contractor. For items to be purchased by local agencies, they must submit their own standard purchase order directly to the contractor.

CONTRACTOR'S LOCATIONS:

List below the location to which individual orders should be sent.

Columbia Business Forms, Inc.
1493 N. Montebello Blvd., Ste. 202
Montebello, CA 90640

Attention: Edward G. Garcia
Phone Number: (323) 721-7942
Fax Number: (323) 888-1844

MINIMUM ORDER:

The minimum order is 1,000 for continuous checks, and 20,000 for individual (agency trust emergency) checks.

PREPARATION FOR DELIVERY:

Packaging: Continuous form checks shall be fan folded two (2) up, 1000 per carton. Folding shall be by machine to ensure uniformity in refolding after processing. Set form check shall be paper banded in sets of 100 per package. There shall be 10 packages per carton. Shipping cartons shall not weigh more than 65 pounds (29.5 kg).

All packaging and shipping shall conform to applicable Federal and State Regulations and conform to good commercial practices.

Marking: Each shipping carton shall be clearly end marked with vendor name, commodity, quantity, color sequence, serial numbers (indicate consecutive numbers and any break in sequence), and State of California purchase order or contract and subpurchase order numbers.

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SCHEDULED DELIVERY:

Agencies will submit their normal check requirements on Contract/Delegation Orders (Std. 65) directly to contractor in time for consolidation for periods listed below.

Agencies will furnish contractor with printing information: Name of agency, account number, beginning and ending serial numbers, and color of original if other than blue tint.

Agencies MUST show contact person AND public telephone number on delegation order.

Orders Received for Consolidation by Contractor On or Before:

4/20/06	6/20/06	8/20/06	10/20/06	12/20/07	2/21/07
4/20/07	6/21/06	8/20/07	10/20/07	12/20/08	2/21/08

Will Be Delivered to Agency On or Before:

5/22/06	7/20/06	9/20/06	11/20/06	1/22/07	3/20/07
5/22/07	7/20/07	9/20/07	11/20/07	1/22/08	3/20/08

Agencies will not necessarily order their entire yearly quantity at one time, but may order during one or more of the consolidation periods listed above, subject only to minimum order quantity.

PRICES:

All prices are F.O.B. destination. All prices shall be maximum for the contract period subject to the State receiving full benefit of all manufacturer's price declines effective on the date of manufacturer's general public announcement.

SPECIFICATIONS:

All checks are to meet the requirements in the attached State of California Bid Specification 7530-06BS-001 dated February 3, 2006. No overrun or underrun shall be accepted. Quantities and numbers are to be exact, except for missing numbers. Account shall be made to the ordering agencies of breaks in serial numbered sets, and the disposition of the missing numbered sets.

EXTRAORDINARY EXTENSION OPTION:

In the event of an extraordinary circumstance the State of California may extend the contract for up to an additional year beyond the stated contract term and any noted extensions. Extensions during this period may occur in increments until the establishment of a new contract (not to exceed one-year). Exercise of this option may occur in the event that a replacement contract amount cannot be established due to the protest of an intent to award, or loss of key procurement staff, or extraordinary circumstance that would otherwise cause an unanticipated disruption in the contracting process.

If necessary, prices may be increased during an extraordinary extension option period, to the extent that the price is determined to be "fair and reasonable". Request for price increase(s) shall include substantiated information to support the proposed increase (e.g., manufacturers' price list, significant changes in published market indicators for the industry, certified raw material cost, data and any other substantiating information as requested by the State of California). In no event will the increase be accepted with retroactive dates.

Contract (Mandatory): 1-06-75-02

CONTRACT DOLLAR VALUE:

The total dollar value of this contract is subject to a variance of plus or minus thirty-five percent.

This contract will expire two years from its effective date or when the contract dollar value has been expended (plus or minus thirty-five percent, as shown below). The contract shall be considered expended at any time that the total dollar amount plus thirty-five percent is expended, or if at least sixty-five percent of the total is expended by the expiration date.

If the contract dollar value plus thirty-five percent is expended before the expiration date, the contractor shall notify Procurement Division, Contract Management. Such notification shall be in writing, submitted as soon as the contractor becomes aware of the overage, and include a statement of intention to either continue or terminate the contract. The contractor may continue to accept orders until the State returns a written decision of the disposition of the contract. The contract may be terminated by either party or, by mutual agreement, be allowed to continue until the expiration date or such other date mutually agreed upon. The contractor shall refuse to accept any orders after a date set for termination, and the State may disclaim liability for any purchases made after such date.

If the expiration date occurs before the contract dollar value less thirty-five percent is expended, the contract will be extended, with the contractor's agreement until the minimum dollar value is reached.

The State's obligation to pay is solely from funds appropriated for the acquisition of the products on this contract. If funds are not appropriated for future fiscal years, the contract dollar amount will be reduced accordingly. Receipt of a contract delegation order or purchase order under the contract is proof of availability of funds for that order.

INVOICING REQUIREMENTS:

The contractor is to render invoices as instructed on individual orders. Invoices shall include the order number, the contract number, the commodity code number, quantity, unit price and extensions. State sales and/or use tax is to be added to each invoice.

USAGE REPORTS:

The contractor must submit a detailed report every three months to the Procurement Division, Contract Management. This report is to include the total quantities per item number and the total dollar amount ordered from the contract by the using agencies. Invoice copies will not fulfill this requirement.

SECURITY:

Contractor shall maintain proper security precautions to protect against unlawful or unauthorized production of checks and to protect against loss or theft of checks during manufacture, storage, and shipment.

Account shall be made to ordering agency of breaks in serial numbered sets, and disposition of missing numbered sets.

In event of any theft or loss as a result of inadequate security, contractor will protect and hold harmless the State of California for any damage as a result of fraudulently negotiated checks.

AGENCY TRUST EMERGENCY CHECKS:

Individual (agency trust emergency checks) will be ordered from the contractor only by the Office of the State Treasurer.

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MANUFACTURER:

Identify manufacturer and address where checks will be made.

Manufacturer: Prodocument Solutions
Address: 1760 Commerce Way
Paso Robles, CA 92446

Contact Person: Chris Highnote
Phone Number: (800) 726-0080
Fax Number: (800) 726-0054

WARRANTY:

Manufacturer/vendor warrants that each lot of checks manufactured and shipped has been tested in accordance with ANSI and TAPPI standards and found to be compliant therewith in addition to any parameters set forth in this document. The manufacturer shall replace checks that prove defective in design, material, and workmanship on carton for carton basis at no cost to the State of California. Rejected checks shall be replaced within 30 days.

TECHNICAL SUPPORT:

Manufacturer shall maintain technically qualified staff for support of State check production personnel. Assistance shall be provided to the State of California at no cost.

All mutually identified check manufacturing problems shall be promptly fixed and permanently remedied for the remaining term of the contract. Two subsequent recurrences of same check manufacturing problem or four total and unique major occurrences shall be sufficient for the State of California to invoke General Provision Section 13 "Rights and Remedies of State for Default".

Contract (Mandatory): 1-06-75-02

ITEM NO.	COMMODITY NO. SUPPLIER PART NO.	SUPPLIER NO.	UNIT	DESCRIPTION	UNIT PRICE
1	7530-753-2001-4	224826	MX	CHECK INDIVIDUAL ORIGINAL & 2 COPIES CHECKS, CONTINUOUS TYPE, FAN FOLDED TWO UP AND BOXED OR PACKAGED 1000 PER BOX:	26.0000
2	7530-753-2020-8	224826	MX	CHECK CONTINUOUS ORIGINAL (WITHOUT COPY)	22.0000
3	7530-753-2002-6	224826	MX	CHECK CONTINUOUS ORIGINAL & 1 COPY	49.0000
4	7530-753-2003-8	224826	MX	CHECK CONTINUOUS ORIGINAL & 2 COPIES	60.0000
5	7530-753-2004-0	224826	MX	CHECK CONTINUOUS ORIGINAL & 3 COPIES	67.0000
6	7530-753-4002-5	224826	EA	CHECK SPECIAL PLATE CHARGE (CONTRACT USE ONLY)	0.0000
7	7530-753-4003-7	224826	MX	CHARGE FOR COLOR (ON ORIGINAL) OTHER THAN STANDARD BLUE (PER ORDER/PER COLOR)	250.0000
8	7530-753-4004-9	224826	MX	CHARGE FOR CUTTING TOP LEFT CORNER	175.0000
9	7530-753-4005-0	224826	MX	CHARGE FOR CUTTING TOP RIGHT CORNER	175.0000
10	7530-753-4006-2	224826	MX	CARBONLESS PAPER	30.0000
11	7530-753-4007-4	224826	MX	PLATE CHARGE (PRINT FORMAT CHANGE ON COPIES)	100.0000
12	7530-753-2030-0	224826	MX	REMOVE ARROWHEAD FROM "PAY TO THE ORDER OF" BOX	NO CHARGE
13	7530-753-2040-3	224826	MX	CHECK CONTINUOUS PACKAGED 2000 PER BOX (CONTRACT USE ONLY)	NO CHARGE

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ITEM NO.	COMMODITY NO. SUPPLIER PART NO.	SUPPLIER NO.	UNIT	DESCRIPTION	UNIT PRICE
14	7530-753-2050-6	224826	MX	CHECK CONTINUOUS PACKAGED 3000 PER BOX (CONTRACT USE ONLY)	NO CHARGE
15	7530-753-2060-9	224826	MX	CHECK CONTINUOUS PACKAGED 4000 PER BOX (CONTRACT USE ONLY)	NO CHARGE
16	7530-753-2070-1	224826	MX	CHECK CONTINUOUS PACKAGED 5000 PER BOX (CONTRACT USE ONLY)	NO CHARGE
<p>NOTE: All packages of 1000+ shall be sealed.</p> <p>STANDARD COLOR: Original.....White with Blue Safety Tint Copy One.....White Copy Two.....Blue Copy Three...Pink</p>					
17	7530-909-0002-1	224826	VA	FOR DATA ENTRY USE ONLY OFFICE-DGS/PROCUREMENT USE ONLY	VARIABLE



STATE OF CALIFORNIA

Bid Specifications Paper Checks, Individual and Continuous

7530-06BS-001

1.0 SCOPE This specification covers State of California checks and warrants, in continuous and single check copy form set suitable for magnetic ink character recognition (MICR) encoding and reading.

2.0 SPECIFICATIONS AND STANDARDS Specifications and standards referenced in this document in effect on the opening of the Invitation for Bid form a part of this specification where referenced.

3.0 REQUIREMENTS

3.1 Configuration

3.1.1 Construction: Continuous and single check copysets shall consist of original and up to three copies with interleaved carbons or if specified shall be constructed of carbonless (chemical transfer) paper.

All originals and copy sheets, in the final issue form, shall be 7.0 ± 0.031 inches (177.8 ± 0.8 mm) in length by 3.50 ± 0.031 inches (88.9 ± 0.8 mm) in height exclusive of any stubs. The edges shall be cut square and true at right angles, and shall be free from creases. Dimensions given shall be determined after proper conditioning in accordance with Technical Association of the Pulp and Paper Industry (TAPPI) T 402, Conditioning of Paper and Paperboard for Testing.

If specified, the top right or left hand corner shall be diagonally cut off 0.25 inch (6.3 mm) and 0.38 inch (9.5 mm) along the top and side respectively. The checks and warrants shall not be scored for folding.

The original shall be No. 4 OCR bond, white with blue safety tint. Gray, pink, green and yellow safety tint colors shall also be available.

One, two or three copy sheets shall be available and shall be of chemical bond paper of the following colors:

First Copy	white
Second Copy (if required)	blue
Third Copy (if required)	pink

3.1.1.1 Continuous Form: Continuous form checks shall be "one up" - one check width. Single horizontal lines of perforations shall attach consecutive checks to each other with five (5) teeth per inch. The original, copies and carbons shall be positively secured at both left and right stubs and shall hold throughout the normal automatic processing procedure. Crimping (finger lock) shall be available if requested. Both right and left stubs shall be 0.5 ± 0.031 inch (12.7 ± 0.8 mm)

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wide and be punched for computer printer use. Both right and left stubs shall be perforated with five (5) teeth per inch.

Each stub shall have seven (7) holes with diameter 0.156 ± 0.016 inches (3.9 ± 0.4 mm) spaced 0.5 ± 0.016 inch (12.7 ± 0.4 mm) on center. The center of the holes nearest the top horizontal perforation (top of each check) shall be 0.25 ± 0.016 inches (6.3 ± 0.4 mm) from the top perforation. The holes shall be 7.5 ± 0.016 inches (190.5 ± 0.4 mm) on center in the horizontal dimension and equidistant from the edge of the checks. Any tolerance taken in height, 3.5 inch (88.9 mm) dimension, and vertical spacing of the holes must be proportional to provide proper register.

Breaks in Box: A maximum of 1 break per every ten (10) boxes of continuous check forms shall be acceptable. A box with a break in continuous forms shall not have more than one (1) break in the box. Each box of checks with a break shall be clearly identified on the outside of the box with the words "BREAK IN BOX". Location of break shall be identified with a marker which may be removed by the operator and not cause any damage to the checks or problems with machine performance. Deliveries of less than ten boxes shall not have any breaks.

Splices: Splices are acceptable providing the machine performance of the continuous form is not affected. A special tape shall be utilized for the splices. The tape shall be 3/8 inch in width and pre-perforated along the center line of its continuous length. The tape shall only be applied to the backside of the continuous form. When the spliced joint is burst, the splicing tape shall burst along the pre-perforated line and the split halves of the joint tape shall remain adhered to each part of the separated form. An acceptable tape for splicing of continuous forms is: Skip Slit Splicing Tape, part no. 113T-1061, Universal Tape Co. (Telephone Number 609-653-3191).

3.1.1.2 Single Checks: Single checks in set forms shall have a perforated stub on the right side with five (5) teeth per inch. The original, copies and carbon sheets shall not tear or skew when processed on a typewriter or handwritten upon with a ballpoint pen. The carbon shall be full height in the 3.5 inch (88.9 mm) dimension and 0.25 ± 0.063 inch (6.4 ± 1.6 mm) short in length on the left side. The stub on the right side shall be 0.50 ± 0.031 inches (12.7 ± 0.8 mm) wide.

3.1.2 Printing: The checks and warrants shall be printed as shown in Figure 1 (See Note). Ordering agency may request to have their organization name printed on the front of checks. Organization names shall be printed on the lower right hand area above the signature line and below the issue date and check amount boxes. The printing shall be with black ink, as specified in Section 3.2.4.

NOTE: The State reserves the right to modify the print format shown in Figure 1. Pre-production printing proofs may be required from the successful bidder.

Printing on back of original check or warrant shall consist of two instructional statements to endorsee(s) and one endorsement line per Figure 1.

The first statement shall read in letters not less than 0.063 inch (1.6 mm) in height "This warrant must be endorsed by payee exactly as drawn and when made payable to more than one payee each payee must endorse". This statement shall occupy a rectangular space not larger than 3.12 x 0.25 inches (79.4 x 6.4 mm). Printing shall be centered between top and bottom edges in clear letters and offset from the trailing edge not more than 0.125 inch (3.2 mm).

The endorsement line shall parallel the check or warrant trailing edge at spacing of $1.50, \pm 0.031$ inch ($38.1, \pm 0.8$ mm). The line shall be centered between top and bottom edges and approximately 3.063 inches (77.8 mm) long.

Underprinting the line in letters 0.063 inch (1.6 mm) in height shall be instructional statement "Endorse above this line". Underprinting shall parallel trailing edge and be centered between top and bottom edges. Overall measurement from trailing edge to bottom of letters in underprinting shall be 1.5 ± 0.016 inches (38.1 ± 0.4 mm).

All printing shall be with black ink as specified in Section 3.2.4. The printing shall be in register for the original and all copies within 0.031 inch (0.8 mm). The printing shall be legible and without excess ink.

The MICR encoding placement and design shall comply with the requirements of American National Standards Institute, ANSI X9.100-160 Part 1-2004 "Placement and Location of Magnetic Ink Printing (MICR)". Field spaces shall be in accordance with Figure 2.

All copy sheets shall be plainly marked "NON NEGOTIABLE", and also "DUPLICATE", "TRIPLICATE" or "QUADRUPLICATE" as applicable.

3.1.2.1 Check Security Features:

As a minimum, the following check security features are to be included in the manufacturing/printing of the checks:

<u>FEATURE</u>	<u>DESCRIPTION</u>
Void Pantograph Check Stock	A multi-tone pantograph with the screening from dark to light to dark. Disguises the word "VOID" or "COPY" within the background printing of the document. The word appears when copied on black and white or color copiers.
Artificial Watermark	A logo or other design printed in white ink on backside of check. It can only be seen when paper is held at a 45° angle and will not copy.
Dollar Amount Space Security	A security feature in the dollar amount space which will indicate any alteration attempts. May be a patch coating, repeated pattern of micro printing or other comparable security method.
Warning Band	A one line message at top and/or bottom of check calling attention to security features to encourage verification of authenticity.

3.2 Materials: All stock shall be free from defects due to residual chemicals, slime, carbon or other electrically conductive spots which may cause incorrect operation and shall be manufactured, treated and cured in such a manner as will not necessitate increased servicing of the machines through the accumulation of deleterious matter from the paper.

3.2.1 Original: The original shall be No. 4 OCR bond paper. The paper shall be principally bleached chemical wood pulp, free from unbleached or ground wood pulp, and may contain recycled material.

NOTE: Should carbonless paper (chemical transfer) checks be specified, the paper's physical properties for both the original and copies, shall be comparable to the below listed requirements.

The paper shall comply to the following criteria:

<u>Criteria</u>	<u>TAPPI Method</u>	<u>Requirement</u>	<u>Carbonless</u>
Basis Weight-based on 500 sheets, 17 x 22 inches (43.2 x 55.9 cm) 500 sheets	T-410	28 lbs (±5%) 105 g/m ² (±5%)	26 lbs CB 98 g/m ²
Thickness	T-411	5.3 mils (±0.4) 0.13 mm (±0.01)	
Brightness	T-452	81.5% (min.)	
Opacity	T-425	89.0% (min.)	
Tear Resistance, Average both directions	T-414	80 g (min.)	
Burst	T-403	30 psi (min.)	
Smoothness, Sheffield	T-538	120-180	
Dirt Count	T-437	10 ppm (max.)	
Dirt Particle Size, Diameter Measure	T-437	0.006 in.(max.) 0.15 mm (max.)	

3.2.2 Copies: The copies shall be No. 4 chemical bond paper or better. The paper shall be principally bleached chemical wood pulp, free from unbleached or ground wood pulp, and may contain recycled material.

The paper shall comply with the following criteria.

<u>Criteria</u>	<u>TAPPI Method</u>	<u>Requirement</u>	<u>Carbonless</u>
Basis Weight Based upon 17 x 22 inches (43.2 x 55.9 cm) 500 sheets	T-410	12 lbs ($\pm 5\%$) 45.1 g/m ² ($\pm 5\%$)	14 lbs CFB 53 g/m ² 15 lbs CF 56 g/m ²
Thickness	T-411	2.5 mils (± 0.4) 0.06 mm (± 0.01)	

- 3.2.3** Carbon: When processed as intended, the check's carbon paper shall be of suitable quality, capable of producing three legible copies at one time without smudging. The carbon paper color shall be black.
- 3.2.4** Ink: Ink shall be magnetic for MICR reading as required by Figure 2 and suitably non-magnetic for all other printing. Ink shall be compatible with paper and shall not smear, fade or bleed through.
- 3.3** Performance: This specification describes check criteria considered important to design and performance on State check processing equipment. Paper shall demonstrate either a workable curl which can be overcome with reasonable working conditions or no tendency to curl. Checks shall be designed for intended use.
- 3.4** Workmanship: The checks and warrants shall be free from defects that degrade appearance, performance and serviceability.

**STATE OF CALIFORNIA
OFFICE OF STATE TREASURER
AGENCY TRUST CHECK FORMAT**

FRONT VIEW:

- Header:** PHILIP ANGELIDES, TREASURER, STATE OF CALIFORNIA, SACRAMENTO
- Account Number:** 420 - 151008
- Serial Number:** 151008
- Pay to the Order of:** (Blank field)
- Issue Date:** (Blank field)
- Check Amount:** (Blank field)
- State Water Resources Control Board**
- By:** (Blank field)
- Warning:** THIS 9-DIGIT CONSECUTIVE MICR NUMBER APPEARS PINK ON THE REVERSE SIDE
- Microprint:** ⑆0120⑆ ⑆1211⑆ ⑆151008⑆ ⑆0015⑆ ⑆0083⑆ ⑆

BACK VIEW:

- Endorsement Area:** THIS WARRANT MUST BE ENDORSED BY PAYEE EXACTLY AS DRAWN AND WHEN MADE PAYABLE TO MORE THAN ONE PAYEE EACH PAYEE MUST ENDORSE
- Void Stamp:** VOID
- Vertical Text:** THIS WARRANT MUST BE ENDORSED BY PAYEE EXACTLY AS DRAWN AND WHEN MADE PAYABLE TO MORE THAN ONE PAYEE EACH PAYEE MUST ENDORSE

Annotations:

- Agency Account No. ABA Routing & Transit No. Check Serial No. Check Digit (Preceded by 00) Front Leading Edge**
- Rear Trailing Edge**

Figure 1

FOR AGENCY TRUST CHECKS

All M.I.C.R. encoding placement, design and printing shall comply with the requirements of American National Standards Institute, ANSI X9.100-160 Part 1-2004 "Placement and Location of Magnetic Ink Printing (MICR)". The field spaces shall be encoded as follows:

MICR DATA FIELD COLUMNS

<u>Continuous Form</u>	<u>Single Set</u>	<u>Description</u>
21, 46, 51	21, 45, 50	On - Us Symbol.
23	23	Check digit (Exact definition to be given at time of awarding contract).
24 - 29	24 - 29	6 - digit consecutive document serial number to be identical with document number printed in the upper right hand corner of document.
30 - 31	30 - 31	Zeros.
33, 43	33, 43	Transit Number Symbol.
34	34	ABA Check Digit = 3
35 - 38	35 - 38	ABA Transit Code Number = 1342
39 - 42	39 - 42	Repetitive Routing Number = 1211
47 - 50	46 - 49	Account number. Zero prefixes will be printed when this number has less than 4 significant digits.

All M.I.C.R. characters will be printed such that the middle of the character will be 5/16" from the bottom edge of the check so as to be printed in the center of the standard M.I.C.R. band.

Figure 2

FEDERAL RESERVE BOARD
REGULATION CC
ENDORSEMENT STANDARDS
(Applicable to all State Warrants)

DIAGRAM OF ENDORSEMENT STANDARD

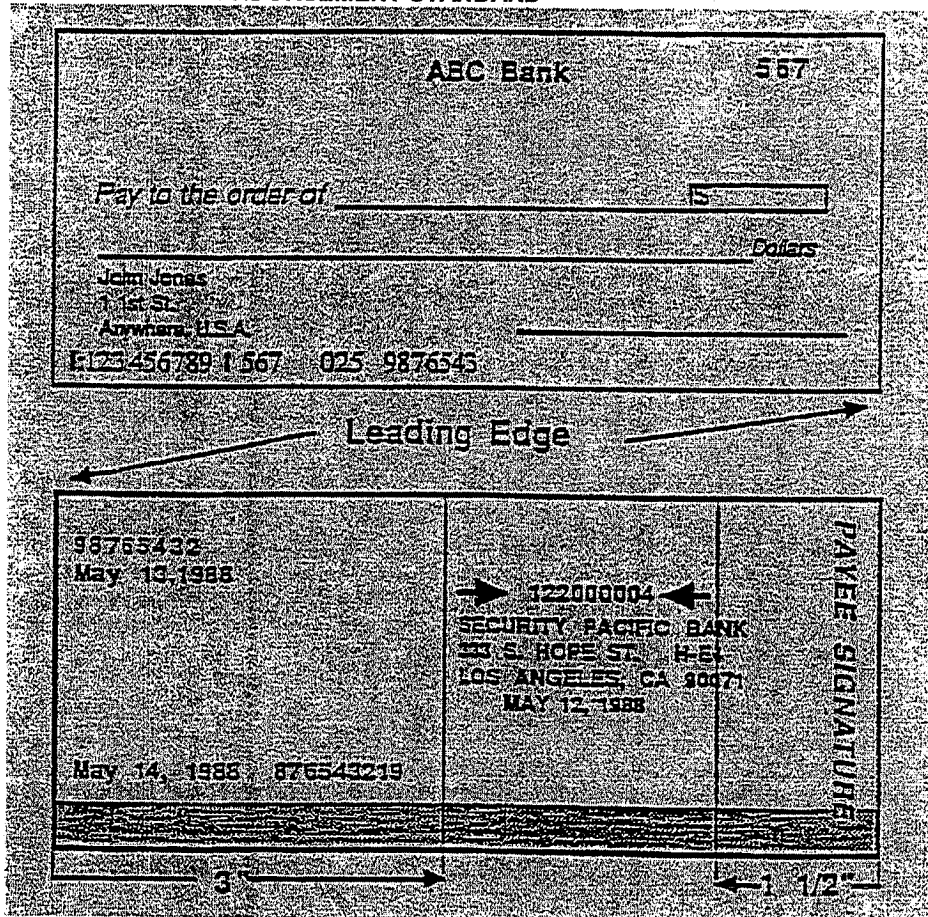


Figure 3

